SECRET The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

NIC #04813-85/1 25 September 1985

MEMORANDUM FOR: Distribution

FROM:

Carl W. Ford, Jr.

National Intelligence Officer for East Asia

SUBJECT:

East Asia Warning and Forecast Meeting of

18 September 1985

- 1. Representatives of the Intelligence Community met on 18 September to consider the attached subjects.
- 2. Next month's Warning and Forecast Meeting will be held on Wednesday, 16 October 1985 at 1400 hours in Room 7E62, CIA Headquarters. Recommendations for discussions/warning topics should be forwarded to this office by COB 2 October 1985.
- 3. Attendees from outside agencies are advised to arrive early to avoid parking problems created by construction work. Please enter the compound through Gate <u>1. the Route 123 entrance. Please telephone attendance</u> and have your clearances intentions to verified to us by your security office by COB 14 October 1985.

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Carl W. Ford, Jr.

Attachment

18 September 1985 Warning Report

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Washington, D.C. 20505

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NIC #04813-85 25 September 1985

MEMORANDUM FOR: Director of Central Intelligence

Deputy Director of Central Intelligence

VIA:

National Intelligence Officer for Warning

FROM:

Carl W. Ford, Jr.

National Intelligence Officer for East Asia

SUBJECT:

18 September 1985 East Asia Warning and Forecast Meeting

Debrief and Discussion of POW/MIA Negotiations With Hanoi

- 1. Richard Childress of the NSC Staff reported on his recent mission to Hanoi and the POW/MIA issue. He has met four times previously with SRV Foreign Minister Thach to discuss this issue. On this trip he met with Deputy FM Vo Dong Jiang. The Vietnamese seemed more anxious than during previous sessions to achieve a settlement. Childress believes the SRV Politburo decided, probably in March 1985, that the POW/MIA question should be resolved in two years. It was about that time that Thach told him he anticipated success in resolving the question. Childress considers Vietnam's more forthcoming attitude at the meeting to be a success for US policy. The US has been trying to convince Vietnam that the POW/MIA issue should be resolved even before it invaded Cambodia. Subsequently, we have been hammering home the message that even if there was a settlement on Cambodia, the US would still not be able to normalize relations with Vietnam until the POW/MIA question was resolved. The Vietnamese now apparently accept this and perceive that it is in their interests to get the question resolved speedily.
- 2. During the recent meetings, Vietnam did not raise its previous assertions that the US should give some quid pro quo--moves toward normalization--in return for greater Vietnamese cooperation in resolving the POW/MIA question. There was some SRV disinformation after the visit that claimed the Vietnamese side had raised the normalization question, but in fact, this did not occur during the meetings.

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- The US proposal called for the inspection of at least 200 crash sites with joint US-Vietnamese teams, with the US side numbering about 24. The US would establish a technical presence--not a diplomatic presence--in Vietnam to assist with the inspections. The Vietnamese side proposed that they themselves conduct a "unilateral" operation, and that the US provide "contributions." Childress suspects that the SRV has 400 sets of remains which it will release in groups periodically as it has done thus far. After that, the SRV would probably consider "joint" efforts. If the US decides to agree to go the unilateral route, it will insist on a specific plan with clear standards. Also, if there is to be US funding and technical cooperative support, then at least one US observer should be present with the search teams. Childress will meet again with the SRV Deputy Foreign Minister at the UN next month to further explore this possibility. Childress reported making a presentation to the Vietnamese on evidence concerning live prisoners. In the past, the Vietnamese have always denied the existence of any live POWs/MIAs or defectors. This time, however, the Vietnamese admitted that they have also heard "sighting reports." Childress is uncertain as to exactly what this means. The Vietnamese promised follow-up investigations of these "reports."
- 4. Childress believes the Vietnamese hope to achieve normalization during the Reagan presidency. Several Vietnamese interlocuters have alluded to the ability of President Nixon as a conservative to move to improve ties with China, and believe that President Reagan would be in a stronger position to normalize relations with Vietnam than a potentially more liberal successor.
 - 5. In response to questions, Mr. Childress stated:
 - -- He believes Thach did not participate personally because he is trying to institutionalize regular meetings between the US and Vietnam rather than continue the current more personalized contacts. Also, he may be looking for the US to give some ground on normalization before he continues placing his personal prestige on the line in pursuing discussions with the US.
 - -- The Soviet Union would like to see the POW/MIA issue resolved and would like to see an improvement in US-Vietnamese relations. This would not threaten the Soviet position in Vietnam but if Vietnam were to resume some economic ties with the West, it might alleviate some of its financial burden
 - -- The US will hold firm on its condition that the POW/MIA issue not be linked to normalization. The US must retain the normalization card to have maximum leverage in the resolution of the Cambodian situation. To normalize now would prematurely surrender this leverage.

Forecast

6. We can anticipate increasing turnovers of remains held in Hanoi's warehouse, and in exhumations of remains of those who died in captivity. We can also expect that there will be greater Laotian efforts in 1986. The SRV

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SECRET will eventually need US help, and the US has plans to assist in achieving a final resolution of the POW/MIA question.	
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New Zealand: Ship Visitations and Palmer Visit to US	
l. New Zealand's Prime Minister Lange is proposing a solution to the ship visit issue between the US and New Zealand. Draft legislation would form a cabinet committee to establish whether nuclear capable ships are or are not carrying nuclear weapons. Lange asserts that this will permit a step-by-step resolution of the problem. FM Palmer is visiting the US to try to sell New Zealand's approach.	у
2. Whatever the outcome of the talks, Lange is likely to gain politically. He can placate some domestic critics by arguing plausibly that he is trying to seek a solution to the problem and yet assure the left wing of the Party that he is holding firm on the nuclear question. If Palmer's talks go well, Lange will argue that the US has backed down; if they fail, he has already laid the groundwork for New Zealand's media to accuse the US of trying to bully Wellington, with Lange portrayed as the man who stands up to the US.	
3. There are other factors impinging on Palmer's visit. The "Rainbow Warrior" incident has tended to draw attention away from the US ship visit issue and Palmer's visit to the US. Also, Palmer is a potential rival for leadership in the Labor Party; consequently, the failure of his mission would not hurt Lange as much as it would hurt Palmer.	
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Chinese Party Delegates Conference

- 1. The opening of the Chinese Communist Party Conference saw the resignation of 64 members of the Central Committee, 10 members of the Politburo. This was a major victory for Deng Xiaoping in his effort to promote younger and more expert cadre to senior positions. Of the resignations, 7 on the Politburo and 29 of the Central Committee were military officers. Since much of the opposition to Deng's reform program has come from the military, this is a further victory for Deng.
- 2. OEA believes that this is only part of a more dramatic package which will eventually involve the resignation and replacement of the top leaders. although other intelligence agencies disagree. In OEA's view, this is the "last hurrah" of the conservative opponents to Deng.
- The new leaders are likely to be more pragmatic and less ideological in foreign policy matters. They will want greater rapproachement with the Soviet Union. They probably overestimate China's influence on and importance to the US in influencing US-Soviet relations and will probably expect more concessions from the US than we will be willing to give.

WARNING NOTE:

If Peng Zhen is appointed to the Standing Committee, it would be a significant setback for Deng since he is the principal conservative opponent of Deng's reforms.

If Hu Yaobang fails to be appointed Chairman of the Military Commission, it would also be a failure for the reformers.

The resignation of Zhang Aiping is significant since he was one of the foremost proponents of cooperative relations with the US. Zhang has not yet resigned as Defense Minister. If he does, his replacement will be a key as to how much China values the developing military relationship with the US.

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